

RECORDATION NO. 23700-A

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SURFACE TRANSPORTATION BOARD

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ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

OF COUNSEL
URBAN A. LESTER

October 10, 2001

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are three (3) copies of an Collateral Assignment of Lease Agreement, dated as of October 9, 2001, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Memorandum of Lease Agreement which is being filed with the Board under Recordation Number 23700.

The names and addresses of the parties to the enclosed document are:

Assignor: Kasgro Leasing, LLC
Kasgro Rail Corp.
320 East Cherry Street
New Castle, PA 16102

[Assignee: Provident Commercial Group, Inc.
5775 Wayzata Boulevard
Suite 700
Minneapolis, MN 55416]

A description of the railroad equipment covered by the enclosed schedule is:

Three railcars KRL 370372 - KRL 370374

Mr. Vernon A. Williams
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A short summary of the schedule to appear in the index follows:

Collateral Assignment of Lease Agreement

Also enclosed is a check in the amount of \$28.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Alvord', written in a cursive style.

Robert W. Alvord

RWA/anm
Enclosures

COLLATERAL ASSIGNMENT OF LEASE AGREEMENT

THIS COLLATERAL ASSIGNMENT OF LEASE AGREEMENT ("Assignment") is dated as of the 9th day of October, 2001 by and among KASGRO LEASING, LLC, a Pennsylvania limited liability company ("Kasgro Leasing") and KASGRO RAIL CORP., a Pennsylvania corporation ("Kasgro Rail" and collectively with Kasgro Leasing, the "Assignor") and THE PROVIDENT COMMERCIAL GROUP, INC., an Ohio corporation ("Assignee").

WITNESSETH:

WHEREAS, Assignor and Assignee have entered into a certain Master Lease Agreement and Rental Schedule No. 001 thereto, dated as of the date hereof, regarding the lease by Assignee to Assignor of three (3) railcars bearing road marks and numbers 370372 through 370374 ("Equipment") (as such agreement may be supplemented, amended, or restated from time to time, the "Lease Agreement") (all capitalized terms used herein, unless otherwise specifically defined herein, shall have the meanings assigned to them in the Lease Agreement unless the context hereof requires otherwise); and

WHEREAS, Kasgro Rail assigned to Kasgro Leasing all of its right, title and interest in and to, but reserved its obligations under, a certain Railroad Car Use Agreement with General Electric Company ("Lessee") dated as of May 15, 2000 (as such agreement may be supplemented, amended, or restated from time to time "Sublease"); and

Assignor desires to sublease the Equipment to Lessee under the Sublease; and

WHEREAS, to induce Assignee to enter into the Lease Agreement and to consent to the sublease of the Equipment, Assignor has agreed to execute and deliver this Assignment in order to secure the absolute payment and performance of the obligations of Assignor to Assignee under the Lease Agreement.

NOW, THEREFORE, in consideration of the above premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. Assignor does hereby assign, transfer, and set over to Assignee, its successors and assigns, all of Assignor's right, title and interest in and to, or arising under the (a) Sublease, to the extent that the same relates to the lease of the Equipment, and (b) any hereafter arising sublease of the Equipment, together with (c) all income, profits, receipts and other payments which may arise from (a) or (b) above.

Collateral Assignment of Lease Agreement

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2. This Assignment is given to Assignee to secure the full and absolute payment and performance of Assignor under the Lease Agreement. Nothing herein contained shall be deemed to affect or impair any rights which Assignee may have under the Lease Agreement or under applicable law.

3. Assignor represents, warrants and covenants to Assignee that:

(a) The Sublease attached hereto as Exhibit A is a true, accurate and complete copy of said agreement, (ii) there are no other agreements between Assignor and Lessee regarding the use of the Equipment, and (iii) Assignor has the right to assign the Sublease.

(b) The Sublease is the valid and binding obligation of Assignor enforceable in accordance with its terms (subject to applicable bankruptcy and insolvency laws and other laws affecting creditor's rights generally), and Assignor has no reason to believe that the Sublease is not enforceable and in full force and effect with respect to the Lessee;

(c) Assignor will promptly perform and observe all of the material terms, covenants and conditions required to be performed and observed by Assignor under the Sublease, and will do all reasonable things necessary to preserve and to keep unimpaired Assignor's rights under the Sublease, except to the extent that any such obligation is contested in good faith by proper proceedings and so long as Assignor has provided adequate reserves for the same.

(d) Assignor will not, without the prior written consent of Assignee, assign, transfer or encumber, voluntarily or by operation of law, or allow to occur any assignment, transfer or encumbrance, voluntarily or by operation of law, of Assignor's interest in the Sublease.

(e) Assignor shall, upon the same day it shall give any material notice or correspondence to any person under the Sublease, deliver a copy thereof to Assignee, and whenever it shall receive any material notice or correspondence from any person under or relating to the Sublease, Assignor shall promptly deliver a copy thereof to Assignee.

4. Upon or at any time after and during the continuance of an Event of Default under the Lease Agreement or a default hereunder, Assignee shall, at its option, have the right but not the obligation to succeed to Assignor's interest in the Sublease, and may exercise any other rights Assignee may have with respect to the Equipment included in the Lease Agreement or otherwise, without in any way waiving such default, without notice to Assignor and without regard to the adequacy of the security for the indebtedness secured hereby, either in person or by agent, with or without bringing any action or proceeding, or by a receiver appointed by a court, and in its own name exercise any remedy or enforce any rights of Assignor under the Sublease.

5. Following an Event of Default under the Lease Agreement or a default hereunder, Assignor hereby irrevocably appoints Assignee as Assignor's attorney-in-fact for the purpose of implementing any or all of Assignor's obligations and Assignee's rights and remedies with respect to the Sublease and/or this Assignment; and Assignor agrees that such power may from time to time, at the election of Assignee, be exercised in the name of Assignor by Assignee, in Assignee's name alone, or in the name of any designee of Assignee.

6. Assignee may, in conjunction with Assignee's sale or transfer of all or a portion of its interests in the Lease Agreement, assign all or any portion of its rights under this Assignment to a third party.

7. Assignor agrees that Assignee shall have no obligation to perform or discharge, nor does Assignee hereby undertake to perform or discharge, any obligation, duty, or liability under the Sublease, or under any other agreements of Assignor relating thereto.

8. Assignor agrees that at any time, and from time to time, upon the request of Assignee, Assignor will execute and deliver such further documents and do such further acts and things as Assignee reasonably requests in order to effect the purposes of this Assignment.

9. Assignee shall not by any act, delay, omission or otherwise be deemed to have waived any of its rights or remedies hereunder and no waiver shall be valid unless in writing, signed by Assignee, and then only to the extent therein set forth. A waiver by Assignee of any right or remedy hereunder on any one occasion shall not be construed as a bar to any right or remedy which Assignee would otherwise have on any future occasion. No failure to exercise, nor any delay in exercising, on the part of Assignee any right, power or privilege hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein provided are cumulative and not exclusive of any rights and remedies provided by law.

10. The provisions of this Assignment are severable, and if any clause or provision hereof shall be held invalid or unenforceable in whole or in part, then such invalidity or unenforceability shall attach only to such clause or provision or part thereof and shall not in any manner affect such clause or provision in any other jurisdiction or any other clause or provision in this Assignment in any jurisdiction.

11. None of the terms or provisions of this Assignment may be altered, modified or amended except by an instrument in writing, duly executed by each of the parties hereto.

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12. This Assignment shall be governed by and construed and interpreted in accordance with the laws of the State of Ohio.

13. This Assignment shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

14. All notices, requests, demands and other communications provided for hereunder shall be in accordance with the notice provisions in the Lease Agreement.

15. This Assignment may be executed in several counterparts each of which shall constitute an original, but all of which together shall constitute one and the same agreement.

[Remainder of page intentionally left blank. Signature page follows.]

IN WITNESS WHEREOF, the undersigned have caused this Assignment to be duly executed and delivered as of the day and year first above written.

ASSIGNOR:

KASGRO LEASING, LLC, a Pennsylvania limited liability company

By: [Signature]
Name: Jeffrey A. Plut
Title: Exec VP

STATE OF PA)
: SS:
COUNTY OF LAN)

BEFORE ME, the Subscriber, a Notary Public in and for said County and State, personally appeared JEFFREY A. PLUT of KASGRO LEASING, LLC, the limited liability company which executed the foregoing instrument, who acknowledged he/she did sign said instrument as such officer on behalf of said company, and by authority of its Board of Directors, and that the execution of said instrument is his free and voluntary act and deed individually and as such officer, and the free and voluntary act and deed of said company.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed by Notarial Seal this 9 day of October, 2001 2001.

[Signature]
Notary Public
My commission expires on Oct. 31, 2001

Notarial Seal
Vito Colella, Notary Public
New Castle, Lawrence County
My Commission Expires Oct. 31, 2001
Member, Pennsylvania Association of Notaries

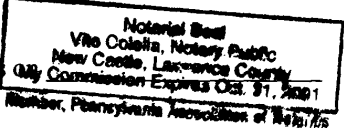
KASGRO RAIL CORP., a Pennsylvania corporation

By: Jeffrey A. Plut
Name: Jeffrey A. Plut
Title: Exec VP

STATE OF PA)
COUNTY OF Lanc : SS:)

BEFORE ME, the Subscriber, a Notary Public in and for said County and State, personally appeared JEFFREY PLUT of KASGRO RAIL CORP., the corporation which executed the foregoing instrument, who acknowledged he/she did sign said instrument as such officer on behalf of said corporation, and by authority of its Board of Directors, and that the execution of said instrument is his free and voluntary act and deed individually and as such officer, and the free and voluntary act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed by Notarial Seal this 9 day of October, 2001 2001.

Vito Colletta
Notary Public
My commission expires: 

ASSIGNEE:

THE PROVIDENT BANK, an Ohio banking
corporation

By: J. Dustrud
Name: JON DUSTRUD
Title: VICE PRESIDENT

STATE OF MN)
 : SS: 470-02-9274
COUNTY OF HENNEPIN)



BEFORE ME, the Subscriber, a Notary Public in and for said County and State, personally appeared JON DUSTRUD, VICE PRESIDENT of THE PROVIDENT BANK, the corporation which executed the foregoing instrument, who acknowledged he/she did sign said instrument as such officer on behalf of said corporation, and by authority of its Board of Directors, and that the execution of said instrument is his free and voluntary act and deed individually and as such officer, and the free and voluntary act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed by Notarial Seal this 9th day of October, 2001 2001.

Susan D. Ribe
Notary Public

My commission expires on 1-31-05

EXHIBIT A TO COLLATERAL ASSIGNMENT OF LEASE AGREEMENT

RAILROAD CAR USE AGREEMENT